

SENATE BILL 779

By Johnson

AN ACT to amend Tennessee Code Annotated, Title 54, Chapter 1, relative to the construction manager/general contractor services method for the delivery of transportation projects.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 54-1-501, is amended by deleting the section and substituting instead the following:

Notwithstanding any other law to the contrary, the department is authorized to use the project delivery method of construction manager/general contractor (CM/GC) services. The CM/GC method allows the department to engage a construction manager during the design process to provide input on the design. During the design phase, the construction manager provides advice, including, but not limited to, constructability review, scheduling, pricing, and phasing to assist the department in designing a more efficient and well-designed project. The construction manager/general contractor may subsequently construct the project if the department and the CM/GC reach agreement on a guaranteed maximum price for construction.

SECTION 2. Tennessee Code Annotated, Section 54-1-503, is amended by deleting the section and substituting instead the following:

The department's authority to use the CM/GC method as provided in this part is subject to the following limitations:

(1) The department shall not initiate more than five (5) CM/GC contracts in any one (1) fiscal year; and

(2) If a proposed CM/GC contract has a total estimated contract amount in excess of seventy million dollars (\$70,000,000), the department shall

specifically identify the project as a proposed CM/GC project in the transportation improvement program submitted annually to the general assembly in support of the commissioner's annual funding recommendations.

SECTION 3. Tennessee Code Annotated, Section 54-1-504(1)(C), is amended by deleting the subdivision and substituting instead the following:

(C) In addition, the commissioner shall appoint three (3) members who are not employees of the department, all of whom must be residents of this state, with one (1) member appointed from and residing in each grand division of the state. At least two (2) of these three (3) members must have a minimum of ten (10) years of construction or highway engineering design experience, and at least one (1) of these two (2) members must have a valid professional engineering license. The other one (1) of these three (3) members must have either a minimum of ten (10) years of construction or highway engineering design experience or a minimum of five (5) years of employment experience in a banking, finance, accounting, surety, or insurance position.

SECTION 4. Tennessee Code Annotated, Section 54-1-504(2)(B), is amended by deleting the language "For the purposes of the pilot program, the" and substituting instead the word "The".

SECTION 5. Tennessee Code Annotated, Section 54-1-504(4), is amended by deleting the language "IV" wherever it appears and substituting instead the language "4".

SECTION 6. Tennessee Code Annotated, Section 54-1-504(3)(G), is amended by deleting the language "1680-5-1" and substituting instead the language "1680-05-01".

SECTION 7. Tennessee Code Annotated, Section 54-1-508, is amended by deleting the section in its entirety.

SECTION 8. This act shall take effect upon becoming a law, the public welfare requiring it.